

you start out, we will take twelve months, and the only fraction you can come up with that will go into one, two, three, four, five, six, seven, eight, nine, ten, eleven, twelve is the addition of all those numbers which comes out to seventy-eight, so the first month's interest would be twelve seventy-eights, the second month's interest would be eleven seventy-eights, the third month, ten seventy-eights of the unpaid balance so until you get down to the last month and then you charge whatever twelve minus seventy-eights over seventy-eight is. This, the only problem with this as far as Senator Burrows and some of them was that if you pay it on the last day of the month, there is no disadvantage, but if you paid on the third day of the month, you would pay for the whole month and they thought this was unfair. Now some banks and loan companies, I understand, still use this method but many of them use the actuarial method whereby they just compute to the day that the loan is repaid and charge you for the interest to that date, which I have no qualms with. The only thing I was objecting to before giving in on it was that I thought that a bill should be presented where it took into all lending institutions so that all would use this rather than the seventy-eight.

SENATOR CULLAN: Thank you very much, Senator Nichol.

PRESIDENT: Do I see five seconds? The question is, shall debate now cease? Record your vote. Have you voted? Record.

CLERK: 27 ayes, 5 nays to cease debate, Mr. President.

PRESIDENT: Senator Burrows, would you close debate please.

SENATOR BURROWS: I move to adopt the amendment which restricts the bill to a lengthening of time period and also cuts back the increases, the amounts they can loan on it without a mortgage. It brings it back to this change which I think is fair and equitable to the consumers and will allow the small loan companies more flexibility. Thank you.

PRESIDENT: Record your vote. Have you all recorded your vote? Record.

CLERK: 38 ayes, 0 nays, Mr. President, on the adoption of the Burrows amendment.

PRESIDENT: The amendment is adopted.

CLERK: I have nothing further on the bill, Mr. President.

PRESIDENT: Senator Nichol.

SENATOR NICHOL: Mr. Chairman, I move for the advancement of the bill.

PRESIDENT: Discussion? Senator Simon.

SENATOR SIMON: Just one brief comment, Mr. President, members of the Legislature, first of all, I would like to thank Senator Nichol for being a gentleman on this issue. I did want to get in the record one comment which we had discussed